

Exhibit C

Form of California District Court Order

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Attorneys for Defendants
LORDSTOWN MOTORS
CORP., *et al.*

**UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA**

KARMA AUTOMOTIVE LLC, a
California limited liability company,

Plaintiff,

v.

LORDSTOWN MOTORS CORP., an
Ohio corporation; STEVE BURNS, an
individual, JOHN LEFLEUR, an
individual, DARREN POST, an
individual, RICH SCHMIDT, an
individual, ROGER J. DURRE, an
individual, HONG XIN HUAN
(A.K.A. "GEORGE" HUAN), an
individual, BEI QIN, an individual,
STEPHEN PUNAK, an individual,
CHRISTOPHER KIM, an individual,
DAN ZHIHONG HUANG, an
individual, PUNAK ENGINEERING,
INC., a California corporation, and
DOES 1 through 50, inclusive,

Defendants.

Case No.: 8:20-cv-02104-JVS-DFM

**NOTICE OF SETTLEMENT AND
STIPULATION AND [PROPOSED]
ORDER REGARDING A STAY OF
PROCEEDINGS AND DISMISSAL
OF ACTION PENDING
SETTLEMENT APPROVAL**

Complaint Filed: October 30, 2020
Trial Date: September 12, 2023

1 Plaintiff Karma Automotive LLC (“Karma”) and Defendants Lordstown
2 Motors Corp. (“Lordstown”), Steve Burns, John LaFleur, Darren Post, Rich
3 Schmidt, Roger J. Durre, George Huan, Bei Qin, Stephen Punak, Christopher Kim,
4 Dan Huang, and Punak Engineering, Inc. (the “Individual Defendants,” collectively
5 with Lordstown, “Defendants” and together with Karma, the “Parties”) hereby
6 jointly submit this Notice of Settlement and Stipulation and [Proposed] Order
7 Regarding a Stay of Proceedings and Dismissal of Action Pending Settlement
8 Approval.

9 WHEREAS, on October 30, 2020, Karma commenced this action against
10 Defendants;

11 WHEREAS, on June 27, 2023, Lordstown and certain affiliates (the
12 “Debtors”) each commenced a voluntary case under chapter 11 of title 11 of the
13 United States Code in the United States Bankruptcy Court for the District of
14 Delaware (the “Bankruptcy Court”), which chapter 11 cases are being jointly
15 administered under Case No. 23-01831 (collectively, the “Chapter 11 Cases”);

16 WHEREAS the Parties agree that if this action proceeds and if there are
17 additional potential disputes and litigation between and among the Parties, such
18 litigation and disputes would result in significant additional cost and expense to the
19 Parties, include risks of trial and litigation, and may be protracted and burdensome
20 for all Parties, including with respect to the relief sought in the Chapter 11 Cases;

21 WHEREAS Karma and Lordstown have engaged in extensive arm’s-length
22 negotiations and have entered in good faith into a settlement agreement and release
23 dated August 14, 2023 (the “Settlement Agreement”). Among other things, the
24 Settlement Agreement contemplates a settlement payment to Karma in exchange
25 for releases and the dismissal of this action with prejudice as to all defendants after
26 certain terms are met;

1 WHEREAS, the Settlement Agreement is binding from the date of its
2 execution, subject to certain terms, but is expressly subject to and contingent upon
3 entry of a final, nonappealable approval order by the Bankruptcy Court;

4 WHEREAS, the Debtors filed a motion with the Bankruptcy Court seeking
5 approval of the Settlement Agreement on an expedited basis;

6 WHEREAS, on _____, 2023, the Bankruptcy Court entered an order
7 approving the Settlement Agreement (the "Approval Order");

8 WHEREAS, on _____, 2023, the Debtors made the settlement
9 payment contemplated by the Settlement Agreement;

10 WHEREAS, Karma and Lordstown have stipulated in the Settlement
11 Agreement to stay any and all dates, statutes of limitations, and deadlines scheduled
12 in this action, including the trial set for September 12, 2023;

13 WHEREAS, Karma and Lordstown have stipulated in the Settlement
14 Agreement to the dismissal of this action with prejudice as to all defendants upon
15 certification of the Parties that the Approval Order has been entered and become a
16 final, nonappealable order;

17 NOW, THEREFORE, IT IS HEREBY STIPULATED AND AGREED by
18 Karma and Defendants, through their undersigned counsel of record and subject to
19 the approval of the Court, as follows:

20 1. This action shall be stayed in its entirety. Any and all dates, statutes of
21 limitations and deadlines scheduled in this action, including the trial set for
22 September 12, 2023, shall be stayed.

23 2. This action shall be dismissed with prejudice upon a certification filed
24 by Karma and Lordstown that the Approval Order has become a final,
25 nonappealable order.

26 3. This Court shall retain jurisdiction of this matter and the Parties to
27 enforce the terms of the Stipulated Protective Order entered by this Court on
28

November 13, 2020, and to ensure that the Individual Defendants certify in writing that each has or will within forty-five (45) days of the [Settlement Effective Date] made a good faith effort to return, or confirm the destruction of, all hard-copy and electronic documents and information that each provided to Lordstown that were produced in discovery in this Action that contains information originating from Karma.

Dated: August [●], 2023

Respectfully Submitted,

SEYFARTH SHAW LLP

BAKER & HOSTETLER LLP

By:

By:

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ORDER**PURSUANT TO THE PARTIES' STIPULATION, IT IS HEREBY
ORDERED THAT:**

1. This action is hereby stayed in its entirety. Any and all dates, statutes of limitations and deadlines scheduled in this action, including the trial set for September 12, 2023, are stayed.

2. This action shall be dismissed with prejudice upon a certification by the Parties that the Approval Order has become a final, nonappealable order.

3. The Court shall retain jurisdiction of this matter and the Parties to enforce the terms of the Stipulated Protective Order entered by this Court on November 13, 2020, and to ensure that the Individual Defendants certify in writing that each has within forty-five (45) days of the [Settlement Effective Date] made a good faith effort to return, or confirm the destruction of, all hard-copy and electronic documents and information that each provided to Lordstown that were produced in discovery in this Action that contains information originating from Karma.

IT IS SO ORDERED.

DATED: _____

HON. JAMES V. SELNA
UNITED STATES DISTRICT JUDGE